

Remarks

Claims 1-20 are pending. By this Response claims 1,13 and 18 are amended. Care has been exercised to avoid the introduction of new matter.

Specification

The Examiner has objected to the Specification on ground that Appendices I and II are not proper for an application under 37 C.F.R. §1.96 since the Appendices are not constituted by "computer program listings". Accordingly, the Examiner has ordered deletion of the Appendices (and all references thereto in the Specification), or full incorporation of the Appendices into the body of the application. The Examiner has indicated that no part of the Appendices will be printed as part of the patent unless incorporated within the body of the Specification.

The Appendices were originally added to the body of the application to provide specific examples of operation of a multi-faceted system. Such examples are meant as a convenience to the Examiner to show operation of specific embodiments of the invention. It was believed that incorporation of a single or even three examples into the body of the Specification might be construed as unduly limiting the scope of the invention.

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If in the opinion of the Examiner, such examples are necessary to facilitate a full understanding of the present invention, the Appendices can be rewritten as part of the Specification once a Notice of Allowance is received for this application.

Rejection of Claims

Claims 1-20 stand rejected under 35 U.S.C. §103 as being unpatentable over Boesch et al. (U.S. Patent No. 5,897,621) in view of Chelliah et al. (U.S. Patent No. 5,710,887).

The Boesch et al. patent is relied upon as disclosing most of the invention as claimed. In particular, the Examiner concludes that the Boesch et al. patent discloses a system for determining approval of multi-currency transaction between a customer and merchant over a network. The Examiner indicates that the use of multi-currencies indicates international commerce. The Examiner further refers to the approval of both the customer and vendor for the transaction in two different currencies, and the "virtual settlement" when a third party server approves the transaction. Such approval is based upon calculations using an acceptable range of exchange rates.

The Examiner admits that the Boesch et al. patent does not disclose the

generation of an electronic title, the selection of a destination for purchased products, or calculating the cost of transportation. The Examiner relies upon the Chelliah et al. patent as disclosing these attributes. The Examiner justifies this combination of teaching on ground that one of ordinary skill in the art would have found it obvious to combined the multi-currency transaction method of Boesch et al. with the shipping costs calculation method of Chelliah et al. to further improve the facilitation of commercial transactions between a customer and a merchant over a computer-driven network.

Arguments

The rejection under 35 U.S.C. §103 is respectfully traversed on ground that the combination of cited patents does not disclose each of the elements recited in each of independent claims 1,13 and 18. In particular, neither of the two cited references teaches the generation of a true electronic title. In addition, it should be noted that the combination of the two references is inappropriate in that there is no reason to make the proposed combination of teachings. This is especially true due to the fact that in the natures of the two respective systems are so diverse as to render them incompatible.

The Examiner has relied upon the disclosure of creating a record or recent

for the customer (column 18, line 24 in the Chellia et al. patent as teaching an electronic title. This is an inappropriate interpretation since a receipt is not the same as an electronic title that defines ownership conditions (point of transfer and the like) and is configured to facilitate authorized passage of the subject goods and payment of any international taxes and duties. In contrast, the paper constituting conventional bills of lading is often awkward to use, hindering the passage of the goods. As disclosed in the present application, one aspect of an electronic title is its use as an alternative to a standard bill of lading, to facilitate faster passage of the goods.

An electronic title can more easily be sent to official passage points (such as borders and customs stations) to facilitate the payment of duties, or for inspection operations. Used in this manner, an electronic title can greatly speed the passage of the goods. The electronic title can also be used in the transfer of funds to pay for either the goods or any shipping charges, including charges for bringing freight alongside a ship or charges for moving the freight to a customs station. The use of the electronic title avoids the movement of paperwork to and from a customs station to be avoided altogether since the electronic title can be transmitted via a computer. Clearly, the use or even the existence of an electronic title is not taught or even suggested in either of the two cited patents.

It is respectfully urged that the combination of patents proposed by the Examiner as teaching international transactions is inappropriate. In particular, one skilled in this art would not have combined the Chelliah et al. and Boesch et al. patents to teach international transactions in the sale of goods.

While international aspects are suggested in the Boesch et al. patent, these are limited to the use of different currencies. The Boesch et al. patent does not address the actual transaction itself but rather refers to it as something being carried out between the vendor and the buyer. There is no requirement in the Boesch et al. patent that the vendor and the buyer be in different countries. Rather, as stated at column 6, lines 11-19: "the present invention is directed toward approval of a multi-currency transaction in which the customer user pays in a first currency and the merchant user accepts the payment in a second currency which differs from the first currency, rather than the completed transactions itself"(emphasis added). There is no requirement in the Boesch et al. patent that goods be moved from one country to another as is done with the system of the present invention.

Nor does the Chelliah et al. patent address international transactions. While the Chelliah et al. patent does address transactions involving the actual transfer of goods, there is no indication that the goods are transferred between different

countries. Further, every indication in the Chelliah et al. patent limits the teachings of Chelliah et al. to transactions carried out within a single country. For example, the AVP tax engine is well-known to be limited to sales taxes applied within the United States. The AVP tax engine does not address foreign duties and import/export taxes. Nor does this tax engine calculate taxes based upon the combined value of the shipping costs and the costs of the goods, as is done in the system of the present invention.

Therefore, it is clear that the two systems of Boesch et al. and Chelliah et al. are not meant to work together. The first is a brokerage system that is set up to guarantee currency exchange rates for a third party broker. On the other hand, the Chelliah et al. system is limited to carrying out transactions within a single country. It is clear that the currency exchange rates are not relevant to such transactions. The Chelliah et al. system would not be improved by the currency exchange capabilities of the Boesch et al. system since Chelliah et al. system is not set up to handle international transactions. Likewise, there is no reason to modify the Boesch et al. system with any of the teachings of Chelliah et al. since the Boesch et al. system is not in the least bit directed to actual transactions and transfer of goods. Accordingly, the Examiner's assertion that combining these two patents to achieve the improved system is inappropriate since there is no reason to

combine the two systems besides a hindsight conclusion of an improved operation.

Consequently, it is respectfully urged that each of the elements in each of the three independent claims is not disclosed in any combination of the conventional art cited by the Examiner. Further, there is no suggestion for combining the teachings of the conventional art cited by the Examiner even if all of the claim elements could be found in the combination of applied patents.

The dependent claims recite further limitations, such as distinguishing between foreign and domestic transactions (claim 4). Such limitations, in combination with those of the independent claims are not disclosed or suggested by any combination of the cited patents of record. Accordingly, it is urged that the dependent claims are patentable for reasons in addition to those supporting the patentability of the independent claims.

Based upon the aforementioned comments and amendments, it is urged that all claims distinguish over the cited art of record, and that this application is in condition for allowance. Favorable reconsideration is respectfully requested.

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Should the Examiner have any comments, questions or suggestions, or should issues remain, the Examiner is respectfully requested to call the undersigned for prompt resolution.

Respectfully submitted,
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I HEREBY CERTIFY THAT THIS CORRESPONDENCE IS BEING
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